

**197—11.5(534) Notification of payment adjustment.**

**11.5(1)** At least 30 but not more than 45 days before the adjustment of the payment, the association shall send written notification to the borrower containing the following information:

- a.* The fact that the payment on the loan with the association, secured by a mortgage on property located at the appropriate address, is scheduled to be adjusted on a particular date;
- b.* The outstanding balance of the loan on the adjustment date, assuming timely payment of the remaining payments due by that date;
- c.* The interest rate on the loan as of the adjustment date, the index value on which the rate is based, the period of time for which that interest rate will be in effect, the next following payment adjustment date, the rate adjustment dates, if any, between the upcoming payment adjustment date and the next following payment adjustment date;
- d.* The payment amount as of the payment adjustment date;
- e.* The date(s), if any, on which the rate was adjusted since the last payment adjustment, the rates on each adjustment date, and the index values corresponding to each date;
- f.* The dates, if any, on which the outstanding principal loan balance was adjusted since the last payment adjustment, and the net change in the outstanding principal loan balance since the last payment adjustment;
- g.* The type of prepayment penalty which may be imposed if the borrower pays off the entire loan or a part of it, depending on the type of security property; and
- h.* The title and telephone number of an association employee who can answer questions about the notice.

**11.5(2)** Reserved.